Kansas Health Policy Authority
Coordinating health & health care for a thriving Kansas

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Summary of Advisory Council Meetings
May 17, 2007

The Kansas Health Policy Authority (KHPA) hosted the first and second meetings of the three Advisory Councils (Consumers, Providers, Purchasers) in May and April. The role of the Councils is to assist the Health for All Kansans (HCAK) Steering Committee and the KHPA Board with the development of health reform options. Council members were provided with information on the history of the agency, the Health for All Kansans steering committee, and on-going activities of the 2007 Kansas legislature. This update included an emphasis on House Substitute for Senate Bill 11 which creates a premium assistance program in Kansas. The councils also reviewed the process for providing input over the summer and into the fall regarding health reform options to be considered by the KHPA Board and HCAK Steering Committee. Dates, times, and locations of future Advisory Council meetings were also established (calendar attached).

The first meeting of the At-large Council was also held this month. Between the four groups, approximately 90 individuals, representing a diverse membership, participated in a KHPA Advisory Council meeting.

Premium Assistance

May 2 – Providers – discussion included:

- Definition of parents will remain the same as the current Medicaid definition, which can include extended family such as grandparents if they are directly responsible for a child (√).
- Private plan offerings for target population may be different from current plan offerings but children must be offered the same set of benefits under Medicaid, either directly through the private plan or in combination with secondary benefits provided directly from KHPA.
- Consistent with market principles, private plans and providers will determine payment rates for services that adequately serve the premium assistance population (√).
- Possibility of using established private service delivery networks for premium assistance program.
- Eligible parents will be notified through current Medicaid program with the goal of minimizing administrative burden for employers who offer health insurance to their employees (√).
- Concerns regarding any significant cost-sharing for this low-income population (√).

May 4 – Consumers – discussion included:

- Choices for consumers expected in the form of variation in private plan offerings in response to RFP – with the understanding that “too many choices” (such as in Medicare Part D) make plan selection difficult for consumers.
- Definition of parents will remain the same as the current Medicaid definition (√).
- The market will determine payment rates for services (√).
- Eligible parents will be notified through current Medicaid program (√).

- Families whose income is below 100 % of the federal poverty level (FPL) would not be expected to contribute to health insurance premiums.
- Design component of requiring parents and children to be in the same plan is supported by "medical home" research.
- Concerns regarding any significant cost-sharing for this low-income population (√).

May 9 – Purchasers – discussion included:

- Deficit Reduction Act (DRA) flexibilities allow for extension of benefits through premium assistance without the need to submit a waiver to the Centers for Medicare and Medicaid Services (CMS).
- Difference in the increase in plan choices vs. increase in health plan access under the premium assistance program dependent upon whether new insurance plans bid to participate.
- Definition of parents will remain the same as the current Medicaid definition (√).
- Because those of very low income are not expected to have access to employer sponsored health insurance, the premium assistance "employer plan option" is projected to cover 5 – 10% of the eligible population.
- Concern about possibility that employers who offer health insurance might be forced to comply with "employer plan option" plan requirements in the future and thus decide to drop insurance altogether.
- Premium assistance must provide "wraparound fee for service coverage" for children and will require streamlined processing of claims; the state has experience with "wrap around" coverage.
- Concerns regarding any significant cost-sharing for this low-income population (√).
- For the "employer plan option," identification of eligible parents will be the responsibility of the state. The state will ask employers for information about their plan offerings once an employee has been deemed eligible to participate in premium assistance.
- State-wide implementation is planned; 18 months to design and implement.
- No "qualifying" criteria for employers; employer plans will be evaluated based on their actuarial equivalence to the State Employee Health Benefits Plan (SEHBP).
- RFI will be issued to assess the interest of private insurers.
- Design component of requiring parents and children to be in the same plan is supported by "medical home" research.

On-going KHPA Initiatives and Reform in Collaboration with other State Agencies

May 2 – Providers – discussion included:

- Medicaid Inspector General Unit within KHPA will provide prevention against waste fraud and abuse. If cases of fraud and abuse are identified, the IG will work with the Attorney General's office (√).
- Political will to support health reform in Kansas evidenced by unanimous vote of SB11 by both chambers.
- Safety net can not be compromised to fund health reform; Disproportionate Share for Hospitals (DSH) reform is currently underway.
- Uncompensated care affects all health care providers.
- Incentivize individuals to utilize a "medical home" in order to promote better outcomes and control costs through primary care and prevention.
- Partnerships with communities critical to the success of health reform in Kansas.

May 4 – Consumers – discussion included:

- Inspector General is not required to be an attorney per the new statute. KHPA Board will hire IG who will report to KHPA Executive Director as well as the KHPA Board.
- Role of Inspector General is to identify problems to prevent or ameliorate waste, fraud, and abuse. If cases of fraud and abuse are identified, the IG will work with the Attorney General's office (√).

- Federal funding that currently supports services to uninsured should not be compromised as a result of health reform; health reform in Kansas should draw down additional federal dollars to support expanded access to care.

May 9 – Purchasers – discussion included:

- Minimal discussion.

Health Reform Major Priorities for KHPA and Councils

May 2 – Providers – discussion included:

- Appreciated presentation on the Uninsured in Kansas; link to Insurance Department report on webpage.
- Provide additional information about health insurance exchange/connector at future meetings (√).

May 4 – Consumers – discussion included:

- Appreciated presentation on the Uninsured in Kansas; link to Insurance Department report on webpage.
- Provide additional information about health insurance exchange/connector at future meetings (√).

May 9 – Purchasers – discussion included:

- Appreciated presentation on the Uninsured in Kansas; link to Insurance Department report on webpage.
- Health insurance exchange/connector described as a "farmers market" for health insurance; insurers line up and employees or consumer shop for the product that best meets their needs. Provide additional information about health insurance exchange/connector at future meetings (√).

At-large Council meeting – video teleconferencing

May 8 – In collaboration with KDHE, the KHPA hosted a video teleconference on health reform. Seven site locations, across the state, were available to Council members (Chanute, Dodge City, Hays, Lawrence, Salina, Topeka, Wichita). Of the ninety-three members, 43 chose to participate. Questions were asked throughout the session and overall, the feedback was positive with regard to health reform in Kansas and the use of technology. The taped session is expected to be available on our website within the next week.

Next Steps

- The Advisory Council grid will be used to prioritize the issues that the council will consider for health reform, focusing first on health insurance reform options, as identified by SB 11.
- Other health reform options, such as those developed in collaboration with other agencies, will be considered subsequent to the health insurance reforms.
- Advisory councils will begin to "fill in the grid," identifying the advantages and disadvantages of various health reform options.
- The KHPA Board and Health for All Kansans Steering Committee will then use the grid to inform their development of health reform options.
- The development of health reform options will be iterative, in that the Board and Health for All Kansans steering committee will direct/provide feedback to the Advisory Councils as they consider reform options.
- Independent consultants and KHPA staff will analyze various reform options in order to identify the economic costs (to consumers, to business, to state government, to federal government) as well as to identify the number of individuals who will get access to health care under each reform option.
- The Joint Oversight Committee for the KHPA will be apprised/consulted on health reform options.
- The KHPA Board will present the final health reform options to the legislature (KHPA Oversight Committee and legislative leadership) and Governor on November 1 2007.

(√) denotes a common discussion point